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President Bush

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Encouraging Political and Economic Reform in Poland

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Following is an address by President Bush before citizens of Hamtramck, Hamtramck, Michigan, April 17, 1989.

Americans are not mildly sympathetic spectators of events in Poland. We are bound to Poland by a very special bond—a bond of blood, of culture, and shared values. So it is only natural that, as dramatic change comes to Poland, we share the aspirations and excitement of the Polish people.

In my inaugural address, I spoke of the new breeze of freedom gaining strength around the world. "In man's heart," I said, "if not in fact, the day of the dictator is over. The totalitarian era is passing, its old ideas blown away like leaves from an ancient lifeless tree." I spoke of the spreading recognition that prosperity can only come from a free market and the creative genius of the individual. I spoke of the new potency of democratic ideas—of free speech, free elections, and the exercise of free will.

Resurgence of the Democratic Ideal

We should not be surprised that the ideas of democracy are returning with renewed force in Europe—the homeland of philosophers of freedom whose ideals have been so fully realized in America. Victor Hugo said: "An invasion of armies can be resisted, but not an idea whose time has come." My friends, liberty is an idea whose time has come in Eastern Europe.

For almost half a century, the suppression of freedom in Eastern Europe, sustained by the military power of the Soviet Union, has kept nation from nation, neighbor from neighbor. As East and West seek to reduce arms, it must not be forgotten that arms are a symptom, not a source, of tension. The true source of tension is the imposed and unnatural division of Europe.

How can there be stability and security in Europe and the world as long as nations and people are denied the right to determine their future—a right explicitly promised them by agreements among the victorious powers at the end of World War II? How can there be stability and security in Europe as long as nations, which once stood proudly at the front rank of industrial powers, are impoverished by a discredited ideology and stifling authoritarianism? The United States has never accepted the legitimacy of Europe's division. We accept no spheres of influence that deny the sovereign rights of nations.

Yet the winds of change are shaping a new European destiny. Western Europe is resurgent. Eastern Europe is awakening to yearnings for democracy, independence, and prosperity. In the Soviet Union itself, we are encouraged by the sound of voices long silent and the sight of the rulers consulting the ruled. We see "new thinking" in some aspects of Soviet foreign policy. We are hopeful that these stirrings presage meaningful, lasting, and more far-reaching change.

Let no one doubt the sincerity of the American people and their government in our desire to see reform succeed in the Soviet Union. We welcome the changes that have taken place, and we will continue to encourage greater recognition of human rights, market incentives, and elections.

East and West are negotiating on a broad range of issues, from arms reductions to the environment. But the Cold War began in Eastern Europe; if it is to end, it will end in this crucible of world conflict—and it must end. The American people want to see East and Central Europe free, prosperous, and at peace. With prudence, realism, and patience, we seek to promote the evolution of freedom—the opportunities sparked by the Helsinki accords and deepening East–West contact.

In recent years, we have improved relations with countries in the region. In each case, we looked for progress in its international posture and internal practices—in human rights, cultural openness, emigration issues, opposition to terrorism. While we want relations to improve, there are certain acts we will not condone or accept—behavior that can shift relations in the wrong direction: human rights abuses, technology theft, and hostile intelligence or foreign policy actions against us.

Some regimes are now seeking to win popular legitimacy through reforms. In Hungary, a new leadership is experimenting with reforms that may permit a political pluralism that only a few years ago would have been unthinkable. And in Poland, on April 5, Soli-

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Poland: A Profile

Geography

Area: 312,612 sq. km. (about 120,700 sq. mi.); about the size of New Mexico. **Cities:** *Capital*—Warsaw (pop. 1,641,300). *Other cities*—Lodz (848,500), Krakow (735,100), Wroclaw (631,300) Poznan (570,900), Gdansk (464,600). **Terrain:** Flat plain, except mountains along southern broder. **Climate:** Temperate continental.

People

Nationality: *Noun*—Pole(s). *Adjective*—Polish. **Population** (1986): 37.5 million. **Annual growth rate:** 0.8%. **Ethnic groups:** Polish 98.7%, Belorussian 0.5%, Ukrainian 0.6%, Jewish, less than 0.05%. **Religions:** Roman Catholic 95%, Eastern Orthodox, Uniate, Protestant 5%. **Language:** Polish. **Education:** *Years compulsory*—8. *Attendance*—97%. *Literacy*—98%. **Health** (1984): *Infant mortality rate*—19.3/1,000. *Life expectancy*—71.6 yrs. **Work force** (1985): 17.5 million. *Agriculture*—30%. *Industry and commerce*—44%. *Government*—8%. *Services*—11%.

Government

Type: Communist state. **Constitution:** July 22, 1952.

Branches: *Executive*—chief of state (chairman of the Council of State). *Legislative*—unicameral Parliament (*Sejm*). *Judicial*—Supreme Court, provincial and local courts.

Administrative subdivisions: 49 provinces (*voivodships*); 755 "large cities" governed by People's Councils of Provinces and Districts.

Political parties: The Polish United Workers (communist) Party (PZPR)—dominant party, which governs in a coalition, including the smaller United Peasants Party (ZSL) and the Democratic Party (SD). Small, quasi-independent parliamentary groupings—Christian Social Association, Polish Catholic Social Union, "Pax" Association. **Suffrage:** Universal and compulsory over age 18.

National holiday: National Liberation Day, July 22.

Flag: Two equal-sized horizontal bands—upper white and lower red.

Economy

Economic growth rate: (1986 real GNP growth): 5%. **Per capita income** (1986): $2,000. **Average inflation rate** (1986): 20%.

Natural resources: Coal, sulfur, copper, natural gas, silver.

Agriculture: *Products*—grains, sugarbeets, potatoes, hogs and other livestock.

Industry: *Types*—machine-building, iron and steel, extractive industries, chemicals, shipbuilding, food processing.

Trade (1986): *Exports*—$11.6 billion (f.o.b.): machinery and equipment, coal, minerals, metals. *Imports*—$10.9 billion (f.o.b.): machinery and equipment, fuels, minerals, metals, agricultural and forestry products.

Official exchange rate (July 1987): 269 zlotys = US$1.

Membership in International Organizations

UN and its specialized and related agencies, including the International Monetary Fund (IMF), the World Bank (IBRD), General Agreement on Tariffs and Trade (GATT); Council for Mutual Economic Assistance (CMEA); International Council for the Exploration of the Sea (ICES); International Hydrographic Organization (IHO); International Lead and Zinc Study Group; Korea Truce Commission; Warsaw Pact.

darity leader Lech Walesa and Interior Minister Kiszczak signed agreements that, if faithfully implemented, will be a watershed in the postwar history of Eastern Europe.

Under the auspices of the round-table agreements, the free trade union, Solidarity, will be formally restored; a free opposition press will be legalized; independent political and other free associations will be permitted; and elections for a new Polish senate will be held. These agreements testify to the realism of Gen. [Wojciech] Jaruzelski and his colleagues. And they are inspiring testimony to the spiritual guidance of the Catholic Church, the indomitable spirit of the Polish people, and the strength and wisdom of Lech Walesa.

Poland faces, and will continue to face for some time, severe economic problems. A modern French writer observed that communism is not another form of economics; it is the death of economics. In Poland, an economic system crippled by the inefficiencies of central planning almost proved to be the death of initiative and enterprise. Almost—but economic reforms can still give free rein to the enterprising impulse and creative spirit of the Polish people.

Reviewing U.S. Policies

The Polish people understand the magnitude of this challenge. Democratic forces in Poland have asked for the moral, political, and economic support of the West. And the West will respond. My Administration is completing a thorough review of our policies toward Poland and all of Eastern Europe. I have carefully considered ways the United States can help Poland. We will not act unconditionally. We will not offer unsound credits. We will not offer aid without requiring sound economic practices in return. We must remember that Poland is still a member of the Warsaw Pact. We must take no steps that compromise the security of the West.

The Congress, the Polish-American community, the American labor movement, our allies, and international financial institutions must work in concert if Polish democracy is to take root anew and sustain itself. We can and must answer this call to freedom. And it is particularly appropriate, here in Hamtramck, for me to salute the members and leaders of the American labor movement for hanging tough with Solidarity through its darkest days.

The Poles are now taking concrete steps that deserve our active support. I have decided on specific steps by the United States, carefully chosen to recognize reforms underway, and to encourage reforms yet to come once Solidarity is legal.

- I will ask Congress to join me in providing Poland access to our Generalized System of Preferences, which offers selective tariff relief to beneficiary countries.
- We will work with our allies and friends in the Paris Club to develop sustainable new schedules for Poland to repay its debt, easing a heavy burden so that a free market can grow.
- I will also ask Congress to join me in authorizing the Overseas Private Investment Corporation to operate in Poland, to the benefit of both Polish and U.S. investors.

• We will propose negotiations for a private business agreement with Poland to encourage cooperation between U.S. firms and Poland's private businesses. Both sides can benefit.

• The United States will continue to consider supporting, on their merits, viable loans to the private sector by the International Finance Corporation.

• We believe that the roundtable agreements clear the way for Poland to be able to work with the International Monetary Fund on programs that support sound, new, market-oriented economic policies.

• We will encourage business and private nonprofit groups to develop innovative programs to swap Polish debt for equity in Polish enterprises and for charitable, humanitarian, and environmental projects.

• We will support imaginative educational, cultural, and training programs to help liberate the creative energies of the Polish people.

When I visited Poland in September 1987, I told Chairman Jaruzelski and Lech Walesa that the American people and Government would respond quickly and imaginatively to significant internal reform of the kind we see now. Both of them valued that assurance. So it is especially gratifying for me to witness the changes now taking place in Poland and to announce these important changes in U.S. policy. The United States keeps its promises.

If Poland's experiment succeeds, other countries may follow. While we must still differentiate among the nations of Eastern Europe, Poland offers two lessons for all. First, there can be no progress without significant political and economic liberalization. Second, help from the West will come in concert with liberalization. Our friends and European allies share this philosophy.

The West can now be bold in proposing a vision of the European future: We dream of the day when there will be no barriers to the free movement of people, goods, and ideas. We dream of the day when East European peoples will be free to choose their system of government and to vote for the party of their choice in regular, contested elections. We dream of the day when East European countries will be free to choose their own peaceful course in the world, including closer ties with Western Europe. And we envision an Eastern Europe in which the Soviet Union has renounced military intervention as an instrument of its policy—on any pretext. We share an unwavering conviction that one day all the peoples of Europe will live in freedom.

Next month, at a summit of the North Atlantic alliance, the leaders of the Western democracies will discuss these concerns. These are not bilateral issues between the United States and the Soviet Union. They are, rather, the concern of all the Western allies, calling for common approaches. The Soviet Union should understand, in turn, that a free, democratic Eastern Europe as we envision it would threaten no one and no country. Such an evolution would imply, and reinforce, the further improvement of East-West relations in all dimensions—arms reductions, political relations, trade—in ways that enhance the safety and well-being of all of Europe. There is no other way.

What has brought us to this opening? The unity and strength of the democracies, and something else—the bold new thinking in the Soviet Union; the innate desire for freedom in the hearts of all men. We will not waver in our dedication to freedom now. If we are wise, united, and ready to seize the moment, we will be remembered as the generation that helped all of Europe find its destiny in freedom.

Two centuries ago, a Polish patriot named Thaddeus Kosciuszko came to these American shores to stand for freedom. Let us honor and remember this hero of our own struggle for freedom by extending our hand to those who work the shipyards of Gdansk, and walk the cobbled streets of Warsaw. Let us recall the words of the Poles who struggled for independence: "For your freedom and ours." Let us support the peaceful evolution of democracy in Poland. The cause of liberty knows no limits; the friends of freedom, no borders. ■

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